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Contact: Anita Gore 916-327-8988

California Gasoline Consumption Rose 0.8% in Third Quarter 2010

Michelle Steel, Third District Member of the State Board of Equalization (BOE), today released California's gasoline and diesel consumption figures for September and the third quarter of 2010. California gasoline consumption increased 1.5 percent in September and increased 0.8 percent in the third quarter. Diesel consumption increased 0.2 percent in September compared to last year.

Gasoline consumption increased 0.8 percent in the third quarter of 2010 when Californians consumed 3.80 billion gallons of gasoline compared to the 3.77 billion gallons of gasoline used in the third quarter 2009. The average price of gasoline at the pump in California during the third quarter 2010 was \$3.14, a 3.0 percent increase over the third quarter 2009's average price of \$3.05 per gallon.

In September 2010, gasoline consumption increased 1.5 percent when Californians used 1.24 billion gallons of gasoline compared to 1.22 billion gallons consumed in September 2009. The average price of gasoline at the pump in California in September 2010 was \$3.06 per gallon, a 3.5 percent decrease compared to the gasoline price per gallon of \$3.17 in September 2009.

Diesel consumption increased 2.3 percent in the third quarter of 2010 when Californians consumed 669 million gallons of diesel compared to 654 million gallons of diesel fuel consumed in the third quarter of 2009. However, there was a 9.6 million gallon refund in July 2009 and a 19.3 million gallon credit in August 2009 which means the 2.3 percent quarterly gains would become a 2.0 percent quarterly loss without the credit/refund. The average price of diesel fuel in California during the third quarter 2010 was \$3.14, an 11.7 percent increase compared to the third quarter 2009 when the price per gallon of diesel fuel in California was \$2.81.

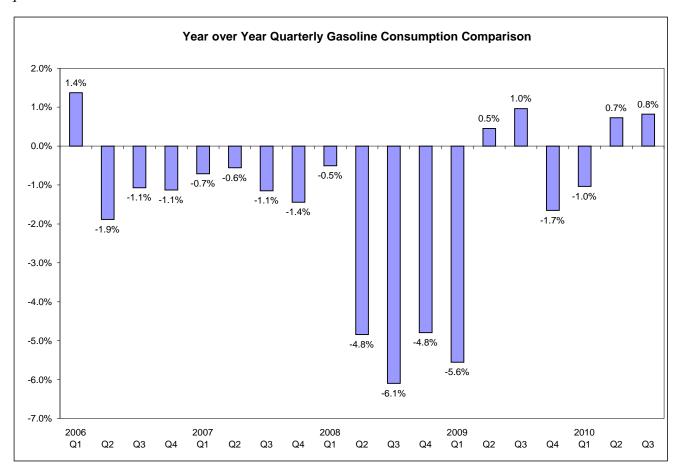
Diesel sold in California during September 2010 totaled 245 million gallons compared to the September 2009 total of 244 million gallons, which is a 0.2 percent increase. California diesel prices were \$3.14 per gallon in September 2010, which is a 10.6 percent increase compared to September 2009's average price of \$2.84 per gallon of diesel.

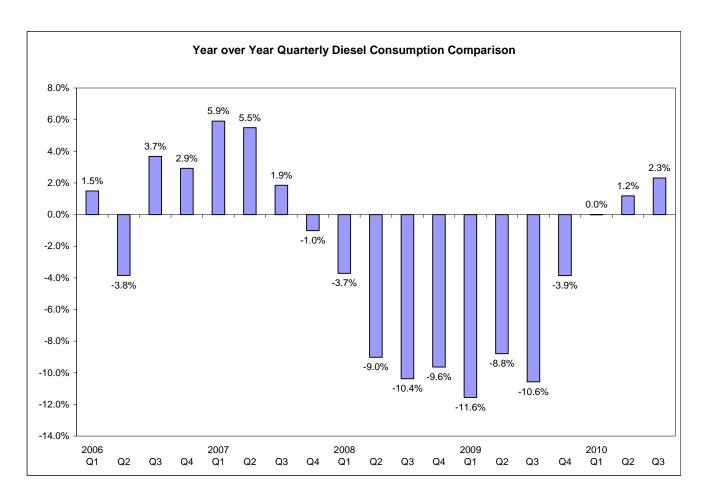
The BOE is able to monitor gallons through tax receipts paid by fuel distributors. The figures reported monthly are net consumption that includes BOE audit assessments, refunds, amended and late tax returns, and State Controller's Office refunds. Figures for October 2010 are scheduled to be available at the end of January 2011. All monthly, quarterly, and annual figures can be viewed at: www.boe.ca.gov/sptaxprog/spftrpts.htm.

Taxable Gasoline Gallons: www.boe.ca.gov/sptaxprog/reports/MVF 10 Year Report.pdf

Taxable Diesel Gallons: www.boe.ca.gov/sptaxprog/reports/Diesel_10_Year_Report.pdf

Editor's note – please see the two attached charts showing year over year quarterly gasoline and diesel consumption comparisons for the last 19 consecutive quarters from first quarter 2006 through third quarter 2010.





Elected to the Board of Equalization in 2006, Michelle Steel serves as *Southern California's elected taxpayer advocate*. In December 2007, Steel discovered the Board of Equalization had delayed the return of millions of dollars in security deposits owed to California businesses. Procedures were changed due to Steel's decisive leadership. Following her investigation, the tax agency refunded tax security deposits to over 5,500 small businesses.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$48 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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